

DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

Temporary Assistance for Needy Families

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ADMINISTRATION FOR CHILDREN AND FAMILIES
Temporary Assistance for Needy Families

Amounts Available for Obligation

| | <u>2002</u> <u>Actual</u> | <u>2003</u> <u>President's</u> <u>Budget</u> | <u>2004</u> <u>Estimate</u> |
|-------------------------|--|---|--|
| Appropriation | | | |
| Permanent..... | \$17,008,625,000 | \$19,008,625,000 | \$17,608,625,000 |
| Unobligated balance | | | |
| start of year..... | 600,000,000 | 400,000,000 | 2,000,000,000 |
| Unobligated balance | | | |
| lapsing | 0 | 0 | 0 |
| Unobligated balance | | | |
| end of year..... | -400,000,000 | -2,000,000,000 | -2,400,000,000 |
| Total obligations | \$17,208,625,000 | \$17,408,625,000 | \$17,208,625,000 |

Temporary Assistance for Needy Families

SUMMARY OF CHANGES

| | |
|---|----------------------|
| FY 2003 President's Budget Request | \$19,008,625,000 |
| Total estimated budget authority | \$19,408,625,000 |
| (Obligations) | \$17,408,625,000 |
| FY 2004 Estimate Budget Authority | \$17,608,625,000 |
| (Obligations) | \$17,208,625,000 |
| Net change budget authority | -\$1,400,000,000 |
| Net change (Obligations) | -\$200,000,000 |

| | <u>FY 2003 President's Budget Base</u> | <u>Change from Base</u> |
|--|--|-------------------------------|
| Increases: | | |
| A. <u>Program</u> | | |
| 1. Bonus to Reward High Performance ¹ | [\$300,000,000] | +\$500,000,000 ² |
| 2. TANF Research, Demonstration and Technical Assistance activities ¹ | [\$100,000,000] | +\$100,000,000 ³ |
| Decreases: | | |
| A. <u>Program</u> : | | |
| 1. Contingency Fund | \$2,000,000,000 | -\$2,000,000,000 ⁴ |
| Net Change | | -\$1,400,000,000 |

¹ Budget Authority originally appropriated in FY 1999; grants in FY 2003 for both High Performance Bonus and TANF Research are made from unobligated balances carried forward.

² The FY 2003 President's reauthorization proposal includes \$500,000,000 for the Employment Achievement Bonus for fiscal years 2004 through 2008. The average annual total amount of the grants for each bonus year equals \$100,000,000.

³ The FY 2003 President's reauthorization proposal includes \$100,000,000 annually beginning in FY 2003 for this program. (Unobligated balances carried forward will fund this effort in FY 2003, and in FY 2004 and beyond the reauthorization proposes to appropriate \$100,000,000 annually for this activity).

⁴ The FY 2003 Presidents reauthorization proposal includes \$2,000,000,000 for the Contingency fund, available over a five-year period.

Temporary Assistance for Needy Families

Budget Authority by Activity

| | <u>FY 2002 Actual</u> | <u>FY 2003 President's Budget</u> | <u>FY 2004 Request Budget</u> |
|--|----------------------------------|--|--|
| State Family Assistance Grants | \$16,488,667,000 | \$16,488,667,000 | \$16,488,667,000 |
| Territories – Family Assistance grants | 77,875,000 | 77,875,000 | 77,875,000 |
| Matching Grants to Territories | 15,000,000 | 15,000,000 | 15,000,000 |
| Bonus to Reward Decrease in Illegitimacy | 100,000,000 | 0 | 0 |
| TANF Research, Demonstration and Technical Assistance Activities | 0 | [100,000,000] | 100,000,000 |
| Promotion of Healthy Marriage and Family Formation Grants | 0 | 100,000,000 | 100,000,000 |
| Supplemental Grants for Population Increases | 319,450,000 | 319,450,000 | 319,450,000 |
| Bonus to Reward High Performance States – Obligations non-add - | [200,000,000] | [300,000,000] | 500,000,000 |
| Tribal Work Programs | 7,633,000 | 7,633,000 | 7,633,000 |
| Contingency Fund | [1,958,000,000] | 2,000,000,000 | [2,000,000,000] |
| Total, Budget Authority | \$17,008,625,000 | \$19,008,625,000 | \$17,608,625,000 |

Note: Bracketed budget authority indicates that these activities will be funded from unobligated balances carried forward from prior years.

Budget Authority by Object

| | 2003 President's <u>Budget</u> | 2004 <u>Estimate</u> | Increase or <u>Decrease</u> |
|--|---|---------------------------------|--|
| Advisory and assistance services (25.1)..... | \$20,000,000 | \$20,000,000 | \$0 |
| Grants, subsidies and contributions (41.0)..... | <u>\$18,988,625,000</u> | <u>\$17,588,625,000</u> | <u>-\$1,400,000,000</u> |
| Total, Budget Authority | \$19,008,625,000 | \$17,608,625,000 | -\$1,400,000,000 |

Temporary Assistance to Needy Families

Authorizing Legislation

| | <u>2003 Amount Authorized</u> | <u>2003 President's Budget</u> | <u>2004 Amount Authorized</u> | <u>2004 Budget Request</u> |
|--|--|---|--|---|
| State Family Assistance Grants: Section 403(a)(1)(E) of the Social Security Act, as amended (less State penalties) | Such sums | \$16,488,667,235 | Such sums | \$16,488,667,235 |
| Territories – Family Assistance Grants: Section 403(a)(1)E of the Social Security Act, as amended ¹ | Such sums | 77,875,765 | Such sums | 77,875,765 |
| Matching Grants to Territories | Such sums | 15,000,000 | Such sums | 15,000,000 |
| Bonus to Reward Employment Achievement (prev. High Performance) | ² | [300,000,000] | 500,000,000 | 500,000,000 |
| TANF Research, Demonstration and Technical Assistance Activities | ² | [100,000,000] | 100,000,000 | 100,000,000 |
| Promotion of Healthy Marriage and Family Formation Grants | ² | 100,000,000 | 100,000,000 | 100,000,000 |

¹ Section 1108 (a) of the Social Security Act provides for a limitation on payments to Puerto Rico, Guam, the Virgin Islands and American Samoa under titles I, X, XIV, XVI, parts A and E of title IV, and subsection 1108(b) (Matching grants). The limitations, which became permanent with the enactment of Public Law 96-272, were established by P.L. 104-193 and most recently amended by Section 5512 of P.L. 105-33, are as follows: \$107,255,000 for Puerto Rico, \$4,686,000 for Guam, \$3,554,000 for the Virgin Islands and \$1,000,000 for American Samoa. The limitations do not apply to the Bonus to Reward Decrease in Illegitimacy, the Bonus to Reward High Performance States, or Loans for State Welfare Programs.

² Proposed reauthorization includes \$500,000,000 beginning in FY 2004 for the Bonus to reward employment achievement (average annual amount \$100,000,000). Reauthorization also includes redirection of High Performance Bonus funding in FY 2003 for TANF Research (thereafter \$100,000,000 annually) and the elimination of the Illegitimacy Bonus in order to fund the Family Formation matching grant program for \$100,000,000 annually.

| | <u>2003 Amount Authorized</u> | <u>2003 President's Budget</u> | <u>2004 Amount Authorized</u> | <u>2004 Budget Request</u> |
|---|--|---|--|---|
| Supplemental Grants for Population Increases: Section 403(a)(3)(E) of the Social Security Act, as amended | Such sums | 319,450,226 | Such sums | 319,450,226 |
| Tribal Work Programs: Section 412(a)(2)(D) of the Social Security Act, as amended | 7,633,000 | 7,633,287 | 7,633,287 | 7,633,287 |
| Contingency Fund: The Personal Responsibility and Work Opportunity Act of 1996, PL 104-193. | 2,000,000,000 | 2,000,000,000 | [2,000,000,000] | [2,000,000,000] |
| Total Appropriations | | \$19,008,625,513 | | \$17,608,625,513 |

APPROPRIATIONS HISTORY TABLE
Temporary Assistance for Needy Families

| <u>Year</u> | <u>Budget Estimate to Congress</u> | <u>House Allowance</u> | <u>Senate Allowance</u> | <u>Appropriation</u> |
|-------------|--|----------------------------|-----------------------------|----------------------|
| 1998 | | | | \$13,410,374,513 |
| 1999 | | | | 16,672,243,513 |
| 2000 | | | | 17,692,795,513 |
| 2001 | | | | 16,689,175,513 |
| 2002 | | | | 16,689,175,513 |
| 2003 | | | | 19,008,625,513 |
| 2004 | | | | \$17,608,625,513 |

Temporary Assistance for Needy Families

Justification

| | <u>2003 President's Budget¹</u> | <u>2004 Estimate</u> | <u>Increase or Decrease</u> |
|--|---|---------------------------------|--|
| State Family Assistance Grants | \$16,488,667,000 | \$16,488,667,000 | \$0 |
| Territories – Family Assistance Grants | 77,875,000 | 77,875,000 | 0 |
| Matching Grants to Territories | 15,000,000 | 15,000,000 | 0 |
| Promotion of Healthy Marriage and Family Formation Grants | 100,000,000 | 100,000,000 | 0 |
| TANF Research, Demonstration and Technical Assistance Activities | [100,000,000] | 100,000,000 | +100,000,000 |
| Supplemental Grants for Population Increases | 319,450,000 | 319,450,000 | 0 |
| Bonus to Reward Employment Achievement | [300,000,000] | 500,000,000 | +500,000,000 |
| Tribal Work Programs | 7,633,000 | 7,633,000 | |
| Contingency Fund | 2,000,000,000 | [2,000,000,000] | -2,000,000,000 |
| Total, BA | \$19,008,625,000 | \$17,608,625,000 | -\$1,400,000,000 |

¹ Bracketed Budget authority in FY 2003 for these activities was originally appropriated in FY 1999 for High Performance Bonuses hence the grants are made from unobligated balances. The FY 2003 President's Budget requests a five year reauthorization of \$500,000,000 for the Employment Achievement Bonus, providing \$100,000,000 per year on average for these grants.

General Statement

Title I of P. L. 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) created the Temporary Assistance for Needy Families (TANF) program. The legislation repealed the Aid to Families with Dependent Children (AFDC) and related programs and replaced them with a single fixed block grant. Reauthorization requested for 2003 is pending congressional action.

The purpose of TANF is to increase State flexibility in operating programs designed to: (1) provide assistance to needy families so that children may be cared for in their own homes; (2) reduce dependency by promoting job preparation, work, and marriage; (3) prevent and reduce the incidence of out-of-wedlock pregnancies; and (4) encourage the formation and maintenance of two-parent families.

Building on the success of the 1996 welfare reform program, the FY 2004 budget follows the framework proposed in the President's FY 2003 budget request which includes reauthorization of PRWORA. The reauthorization maintains current program funding levels for the following activities: Family Assistance Grants to States, Tribes and Territories; Matching Grants to Territories; and Tribal Work Programs. Authority for both the Contingency Fund and Supplemental Grants for Population Increases would be reinstated. In addition, a new TANF Research, Demonstration and Technical Assistance program which will include promotion of family formation and healthy two-parent marriages activities would be established, as well as a new matching grant program focused on marriage promotion. Finally, the Bonus to Reward High Performance States would be re-focused to provide for bonuses on employment achievement.

The President's appropriation request for this account assumes passage of pending legislation included in the President's FY 2003 request.

Purpose and Method of Operation

State Family Assistance Grants: Funding under the TANF program is provided primarily through State Family Assistance Grants, which are authorized and pre-appropriated at \$16.5 billion each year. State allocations are based on historic levels of welfare spending. While States must meet certain work, participation, and maintenance of effort requirements, they have enormous flexibility with their TANF funds to design programs that promote work, responsibility and self-sufficiency, and strengthen families.

There has been a dramatic increase in employment of current and former welfare recipients. The percentage of working recipients remains high. In FY 2001, 33 percent of adult recipients were working, compared to less than 7 percent in FY 1992, and 11 percent in FY 1996. Thus, about one in three recipients was working in a typical month, the highest level ever recorded and nearly a five-fold increase since FY 1992. In FY 2001 the vast majority or 83 percent of recipients who were working were in paid employment; others were engaged in work experience and community service.

States have wide flexibility under TANF to determine their own eligibility criteria, benefit levels, and the type of services and benefits available to TANF recipients. However, States must maintain a historical level of State spending on behalf of eligible families (the maintenance of effort requirement) and must meet minimum work participation rate requirements. The proposed reauthorization also would increase flexibility for States by allowing them to spend TANF funds carried over from previous years for activities other than assistance. These activities may include spending for preventing and reducing the incidence of out-of-wedlock births, encouraging formation and maintenance of healthy, two-parent married families, or encouraging responsible fatherhood. In FY 2001, all 50 States, the District of Columbia and Puerto Rico met the overall work participation rates for all families. Additionally, of the 35 jurisdictions that have two-parent family programs subject to a work participation rate, 30 jurisdictions met the standard.

In addition, families who have received federally funded assistance under TANF for five cumulative years (or less at State option) are not eligible for federally funded assistance. States may continue to exempt up to 20 percent of their cases from this rule.

Under current law States may transfer up to a total of 30 percent of their TANF funds to either the Child Care and Development Block Grant program or the Social Services Block Grant (SSBG) program, with not more than 4.25 percent transferable to SSBG. (FY 2002 Appropriations language modified current law allowing for 10 percent transfer to SSBG). Under the proposed reauthorization, the allowable SSBG transfer would be restored to 10 percent.

Tribes are eligible to operate their own TANF programs and those that choose to do so receive their own Family Assistance Grants. The number of approved TANF plans has steadily increased since the first three tribal TANF programs started in July 1997. As of January 2003, 38 tribal TANF grantees covering 178 Tribes and Alaska Native Villages had been approved, all of which are fully operational. Thirty of the approved plans involve individual Tribes and eight are multi-tribal TANF operations.

Territories -- Family Assistance Grants: These grants provide funding to Guam, Puerto Rico and the Virgin Islands to operate their own TANF programs. Territories are subject to the same State plan, work and maintenance of effort requirements as the fifty States and the District of Columbia. A Territory's allocation is based on historic funding levels.

Matching Grants to Territories: These grants are an additional source of funding to the Territories. These Matching Grants are subject to a ceiling under Section 1108 of the Social Security Act and additional maintenance of effort requirements. Matching Grant funds may be used for the TANF program and the Foster Care, Adoption Assistance, and Independent Living programs. The Federal-matching rate for these funds is 75 percent. Use of the Matching Grant is optional.

Supplemental Grants for Population Increases: These grants were authorized to provide additional TANF funding in FYs 1998-2001 to States that experienced increases in their populations and or had low levels of welfare spending per capita. A State qualified for a grant in years after FY 1998 only if it qualified in FY 1998. Territories and Tribes were not eligible.

Seventeen States received these grants in FY 2002, after the 2002 Economic Recovery Act provided an additional year's worth of funding.

Bonus to Reward High Performance States: These grants provide bonus funds to States that meet certain performance measures reflecting how well they are achieving the goals of TANF. A total of \$1 billion was available for awards for FY 1999-2003 and the total amount awarded each year averaged \$200 million. In July 2002 twenty-six States received high performance bonuses.

Under the proposed reauthorization, these bonuses would be restructured to focus on employment achievement, and would average \$100 million per year.

Healthy Marriage Promotion Grants: The FY 2003 Budget proposes a new matching grant program targeted to effective family formation activities.

Tribal Work Programs: These grants are available to Indian Tribes and Alaska Native organizations that conducted a Job Opportunities and Basic Skills Training (JOBS) program in FY 1995. The purpose of these grants is to allow Indian Tribes and Alaska Native organizations to operate a program to make work activities available to their members. Funding is authorized and pre-appropriated at \$7,633,000 for each fiscal year.

Contingency Fund: The Contingency Fund was established to provide a funding reserve which could be used to assist States that experience unexpected economic downturns, resulting in larger than expected numbers of families receiving Temporary Assistance for Needy Families (TANF) services. In order to be eligible to receive Contingency Funds, a State must meet one of two criteria:

- 1) The State's unemployment rate for the most recent 3-month period for which data are available must exceed 6.5 percent and this rate must be at least 10 percent higher than the unemployment rate for the same 3-month period in either or both of the last two calendar years or;
- 2) The number of food stamp participants in the State must exceed by at least 10 percent the number of food stamp participants in the State in the comparable quarter of either FY 1994 or FY 1995.

The reauthorization proposal will reinstate the Contingency Fund, which would retain the above triggers, but would include a modification to the definition of maintenance of effort and simplify the annual reconciliation process.

TANF Research, Demonstration and Technical Assistance Activities: This proposed new authority would fund research, demonstration, and technical assistance activities including those that are targeted to family formation strategies and healthy marriages and reducing the incidence of out of wedlock birth. A portion of the research effort would be directed to child welfare issues in lieu of reauthorizing children's welfare research under the Children's Research and Technical Assistance account.

Rationale for the Budget Request

Welfare reform has been a major success. The number of dependent families has been cut in half. The child poverty rate has fallen substantially. The poverty rate of both black children and children in single mother families is now at the lowest point in U.S. history. The growth in out-of-wedlock births has slowed for the first time in three decades.

But even with this notable progress, much remains to be done, and States still face daunting challenges. The tasks of promoting marriage and two-parent families, of addressing the educational and growth potential of the next generation, of fully engaging fathers in the emotional and economic lives of their children, and of reducing out-of-wedlock pregnancies has hardly begun. Building on the early success of work programs, the recent emphasis on identifying and addressing barriers of work, on moving families to stable jobs, enhancing skills and wage growth is far from finished.

The past success of the first wave of welfare reform efforts provides a unique opportunity to move to the next phase of welfare reform as evidenced in the Administration's welfare reform legislation and the on going efforts of the Congress to enact welfare reform legislation.

Resource and Program Data
State Family Assistance Grant

| | 2002 Actual | 2003 President's Budget | 2004 Estimate |
|-------------------------------|------------------|----------------------------|------------------|
| <u>Resource Data:</u> | | | |
| Service Grants: | | | |
| Formula | \$16,488,667,235 | \$16,488,667,235 | \$16,488,667,235 |
| Discretionary | | | |
| Research | | | |
| Demonstration | | | |
| Development | | | |
| Training/Technical Assistance | | | |
| Evaluation | | | |
| Program Support | | | |
| Other | | | |
| TOTAL PROGRAM | \$16,488,667,235 | \$16,488,667,235 | \$16,488,667,235 |
| | | | |
| <u>Program Data:</u> | | | |
| Number of Grants ¹ | 89 | 89 | 89 |
| New Starts: | | | |
| # ¹ | 3 | | |
| \$ | 18,056,438 | | |
| Continuations: | | | |
| # ¹ | 86 | 89 | 89 |
| \$ | 16,470,610,562 | 16,488,667,235 | 16,488,667,235 |
| Contracts: | | | |
| # | | | |
| \$ | | | |
| Interagency Agreements: | | | |
| # | | | |
| \$ | | | |

¹ Includes Tribal plans receiving Family Assistance Grants.

Resource and Program Data
Matching Grants to Territories

| | 2002 Actual | 2003 President's Budget | 2004 Estimate |
|-------------------------------|----------------|-------------------------------|------------------|
| <u>Resource Data:</u> | | | |
| Service Grants: | | | |
| Formula | \$5,632,227 | \$15,000,000 | \$15,000,000 |
| Discretionary | | | |
| Research | | | |
| Demonstration | | | |
| Development | | | |
| Training/Technical Assistance | | | |
| Evaluation | | | |
| Program Support | | | |
| Other | | | |
| TOTAL PROGRAM | \$5,632,227 | \$15,000,000 | \$15,000,000 |
| <u>Program Data:</u> | | | |
| Number of Grants | 1 | 1 | 1 |
| New Starts: | | | |
| # | | | |
| \$ | | | |
| Continuations: | | | |
| # | 1 | 1 | 1 |
| \$ | \$5,632,227 | 15,000,000 | 15,000,000 |
| Contracts: | | | |
| # | | | |
| \$ | | | |
| Interagency Agreements: | | | |
| # | | | |
| \$ | | | |

Resource and Program Data
Bonus to Reward Decrease in Illegitimacy

| | 2002 Actual | 2003 President's Budget | 2004 Estimate |
|-------------------------------|----------------|-------------------------------|------------------|
| <u>Resource Data:</u> | | | |
| Service Grants: | | | |
| Formula | \$100,000,000 | | |
| Discretionary | | | |
| Research | | | |
| Demonstration | | | |
| Development | | | |
| Training/Technical Assistance | | | |
| Evaluation | | | |
| Program Support | | | |
| Other | | | |
| TOTAL PROGRAM | \$100,000,000 | | |
| | | | |
| <u>Program Data:</u> | | | |
| Number of Grants | 6 | | |
| New Starts: | | | |
| # | 6 | | |
| \$ | \$100,000,000 | | |
| Continuations: | | | |
| # | | | |
| \$ | | | |
| Contracts: | | | |
| # | | | |
| \$ | | | |
| Interagency Agreements: | | | |
| # | | | |
| \$ | | | |

Resource and Program Data
TANF Research, Demonstration and Technical Assistance Activities

| | 2002 Actual | 2003 President's Budget | 2004 Estimate |
|-------------------------------|----------------|-------------------------------|------------------|
| <u>Resource Data:</u> | | | |
| Formula | | | |
| Discretionary | | | |
| Research | | \$25,000,000 | \$25,000,000 |
| Demonstration | | 60,000,000 | 60,000,000 |
| Development | | | |
| Training/Technical Assistance | | 10,000,000 | 10,000,000 |
| Evaluation | | 5,000,000 | 5,000,000 |
| Program Support | | | |
| Other | | | |
| TOTAL PROGRAM | | \$100,000,000 | \$100,000,000 |
| | | | |
| <u>Program Data:</u> | | | |
| Number of Applicants | | TBD | TBD |
| Number of Grants | | TBD | TBD |
| New Starts: | | | |
| # | | . | . |
| \$ | | \$80,000,000 | \$80,000,000 |
| Continuations: | | | |
| # | | | |
| \$ | | | |
| Contracts: | | | |
| # | | | |
| \$ | | \$20,000,000 | \$20,000,000 |
| Interagency Agreements: | | | |
| # | | | |
| \$ | | | |

Resource and Program Data
TANF Family Formation Matching Grant Program

| | 2002 Actual | 2003 President's Budget | 2004 Estimate |
|-------------------------------|----------------|-------------------------------|------------------|
| <u>Resource Data:</u> | | | |
| Service Grants: | | | |
| Formula | | | |
| Discretionary | | \$100,000,000 | \$100,000,000 |
| Research | | | |
| Demonstration | | | |
| Development | | | |
| Training/Technical Assistance | | | |
| Evaluation | | | |
| Program Support | | | |
| Other | | | |
| TOTAL PROGRAM | | \$100,000,000 | \$100,000,000 |
| | | | |
| <u>Program Data:</u> | | | |
| Number of Grants | | TBD | TBD |
| New Starts: | | | |
| # | | . | . |
| \$ | | \$100,000,000 | \$100,000,000 |
| Continuations: | | | |
| # | | | |
| \$ | | | |
| Contracts: | | | |
| # | | | |
| \$ | | | |
| Interagency Agreements: | | | |
| # | | | |
| \$ | | | |

Resource and Program Data
Bonus to Reward Employment Achievement (Obligations)

| | 2002 Actual | 2003 President's Budget | 2004 Estimate |
|-------------------------------|------------------------|------------------------------------|--------------------------|
| <u>Resource Data:</u> | | | |
| Service Grants: | | | |
| Formula | \$200,000,000 | \$300,000,000 | 100,000,000 |
| Discretionary | | | |
| Research | | | |
| Demonstration | | | |
| Development | | | |
| Training/Technical Assistance | | | |
| Evaluation | | | |
| Program Support | | | |
| Other | | | |
| TOTAL PROGRAM | \$200,000,000 | \$300,000,000 | \$100,000,000 |
| | | | |
| <u>Program Data:</u> | | | |
| Number of Applicants | 51 | n.a. ¹ | n.a. |
| Number of Grants | 26 | n.a. ¹ | n.a. ¹ |
| New Starts: | | | |
| # | 26 | n.a. | n.a. ¹ |
| \$ | \$200,000,000 | \$300,000,000 | \$100,000,000 |
| Continuations: | | | |
| # | | | |
| \$ | | | |
| Contracts: | | | |
| # | | | |
| \$ | | | |
| Interagency Agreements: | | | |
| # | | | |
| \$ | | | |

¹ The number of applicants and grantees is not known at this time, FY's 2002 and 2003 represent obligations for High Performance Bonuses, reauthorization proposes to modify this program into the Bonus to reward employment achievement.

Resource and Program Data
Tribal Work Programs

| | 2002 Actual | 2003 Pres. Budget | 2004 Estimate |
|-------------------------------|----------------|----------------------|------------------|
| <u>Resource Data:</u> | | | |
| Service Grants: | | | |
| Formula | \$7,633,287 | \$7,633,287 | \$7,633,287 |
| Discretionary | | | |
| Research | | | |
| Demonstration | | | |
| Development | | | |
| Training/Technical Assistance | | | |
| Evaluation | | | |
| Program Support | | | |
| Other | | | |
| TOTAL PROGRAM | \$7,633,287 | \$7,633,287 | \$7,633,287 |
| | | | |
| <u>Program Data:</u> | | | |
| Number of Grants | 78 | 78 | 78 |
| New Starts: | | | |
| # | | | |
| \$ | | | |
| Continuations: | | | |
| # | 78 | 78 | 78 |
| \$ | \$7,633,287 | \$7,633,287 | \$7,633,287 |
| Contracts: | | | |
| # | | | |
| \$ | | | |
| Interagency Agreements: | | | |
| # | | | |
| \$ | | | |

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES**

FY 2004 MANDATORY STATE/FORMULA GRANTS

PROGRAM: Temporary Assistance for Needy Families (CFDA #93.558)

| STATE/TERRITORY | FY 2002 Actual* | FY 2003 Pres. Budget | FY 2004 Estimate | Difference +/- 2003 |
|------------------------|----------------------------|---------------------------------|-----------------------------|--------------------------------|
| Alabama | \$124,230,761 | \$104,408,461 | \$104,408,461 | \$0 |
| Alaska | 60,264,911 | 60,264,911 | 60,264,911 | 0 |
| Arizona | 228,672,071 | 226,130,536 | 226,130,536 | 0 |
| Arkansas | 62,927,768 | 62,951,233 | 62,951,233 | 0 |
| California | 3,739,843,439 | 3,694,299,021 | 3,693,193,885 | -1,105,136 |
| Colorado | 169,448,681 | 149,626,381 | 149,626,381 | 0 |
| Connecticut | 280,127,512 | 266,788,107 | 266,788,107 | 0 |
| Delaware | 32,290,981 | 32,290,981 | 32,290,981 | 0 |
| District of Columbia | 117,062,606 | 92,609,815 | 92,609,815 | 0 |
| Florida | 622,745,788 | 622,745,788 | 622,745,788 | 0 |
| Georgia | 368,024,967 | 368,024,967 | 368,024,967 | 0 |
| Hawaii | 103,850,027 | 98,904,788 | 98,904,788 | 0 |
| Idaho | 34,991,342 | 33,910,608 | 33,910,608 | 0 |
| Illinois | 585,056,960 | 585,056,960 | 585,056,960 | 0 |
| Indiana | 217,139,064 | 206,799,109 | 206,799,109 | 0 |
| Iowa | 138,101,207 | 131,524,959 | 131,524,959 | 0 |
| Kansas | 101,931,061 | 101,931,061 | 101,931,061 | 0 |
| Kentucky | 190,352,052 | 181,287,669 | 181,287,669 | 0 |
| Louisiana | 189,197,596 | 180,998,997 | 180,998,997 | 0 |
| Maine | 78,120,889 | 78,120,889 | 78,120,889 | 0 |
| Maryland | 229,098,032 | 229,098,032 | 229,098,032 | 0 |
| Massachusetts | 459,371,116 | 459,371,116 | 459,371,116 | 0 |
| Michigan | 795,175,158 | 775,352,858 | 775,352,858 | 0 |
| Minnesota | 270,154,377 | 267,161,347 | 267,161,347 | 0 |
| Mississippi | 95,803,252 | 95,803,252 | 95,803,252 | 0 |
| Missouri | 227,904,327 | 217,051,740 | 217,051,740 | 0 |
| Montana | 46,386,171 | 44,109,471 | 44,109,471 | 0 |
| Nebraska | 58,417,483 | 57,769,382 | 57,769,382 | 0 |
| Nevada | 49,909,122 | 47,710,284 | 47,710,284 | 0 |
| New Hampshire | 38,951,492 | 38,521,261 | 38,521,261 | 0 |
| New Jersey | 404,034,823 | 404,034,823 | 404,034,823 | 0 |
| New Mexico | 121,924,983 | 117,131,204 | 117,131,204 | 0 |
| New York | 2,442,930,602 | 2,442,930,602 | 2,442,930,602 | 0 |
| North Carolina | 338,349,547 | 338,349,547 | 338,349,547 | 0 |
| North Dakota | 27,719,799 | 26,399,809 | 26,399,809 | 0 |

| STATE/TERRITORY | FY 2002 Actual* | FY 2003 Pres. Budget | FY 2004 Estimate | Difference +/- 2003 |
|---------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Ohio | 727,968,260 | 727,968,260 | 727,968,260 | 0 |
| Oklahoma | 147,594,230 | 147,594,230 | 147,594,230 | 0 |
| Oregon | 166,798,629 | 166,798,629 | 166,798,629 | 0 |
| Pennsylvania | 719,499,305 | 719,499,305 | 719,499,305 | 0 |
| Rhode Island | 99,772,666 | 95,021,587 | 95,021,587 | 0 |
| South Carolina | 99,967,824 | 99,967,824 | 99,967,824 | 0 |
| South Dakota | 22,020,494 | 21,279,651 | 21,279,651 | 0 |
| Tennessee | 213,088,938 | 213,088,938 | 213,088,938 | 0 |
| Texas | 583,099,664 | 538,964,526 | 538,964,526 | 0 |
| Utah | 88,155,332 | 84,313,871 | 84,313,871 | 0 |
| Vermont | 49,720,840 | 47,353,181 | 47,353,181 | 0 |
| Virginia | 158,285,172 | 158,285,172 | 158,285,172 | 0 |
| Washington | 411,437,305 | 392,570,385 | 389,069,040 | -3,501,345 |
| West Virginia | 115,685,126 | 110,176,310 | 110,176,310 | 0 |
| Wisconsin | 330,996,906 | 316,603,208 | 316,603,208 | 0 |
| Wyoming | 19,589,602 | 18,500,530 | 18,500,530 | 0 |
| Subtotal | 17,004,190,260 | 16,697,455,576 | 16,692,849,095 | -4,606,481 |
| Tribe Family Asst. | 102,791,857 | 110,134,595 | 114,741,076 | 4,606,481 |
| Guam | 3,992,703 | 3,992,703 | 3,992,703 | 0 |
| Puerto Rico | 66,918,319 | 71,562,501 | 71,562,501 | 0 |
| Virgin Islands | 3,735,064 | 2,846,564 | 2,846,564 | 0 |
| Subtotal | 177,437,943 | 188,536,363 | 193,142,844 | 4,606,481 |
| Total States/Territories | 17,181,628,203 | 16,885,991,939 | 16,885,991,939 | 0 |
| Tribal New Program | 7,633,287 | 7,633,287 | 7,633,287 | 0 |
| Employment Achieve | 0 | 300,000,000 | 100,000,000 | -200,000,000 |
| TANF Research & TA | 0 | 100,000,000 | 100,000,000 | 0 |
| Family Formation Match | 0 | 100,000,000 | 100,000,000 | 0 |
| Contingency Fund | 0 | 2,000,000,000 | 0 | -2,000,000,000 |
| Territories Matching | 5,632,227 | 15,000,000 | 15,000,000 | 0 |
| Subtotal adjustments | 13,265,514 | 2,522,633,287 | 322,633,287 | -2,200,000,000 |
| TOTAL RESOURCES | \$17,194,893,717 | \$19,408,625,513 | \$17,208,625,513 | -\$2,200,000,000 |

* State levels include State Family Assistance Grants, High Performance bonuses, Illegitimacy bonuses and Supplemental Grants in FY 2002. State levels for FY's 2003 and 2004 include only State Family Assistance Grants and Supplemental Grants.

DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

Child Care Entitlement to States

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ADMINISTRATION FOR CHILDREN AND FAMILIES

Child Care Entitlement to States

Amounts Available for Obligation

| | <u>2002 Actual</u> | <u>2003 President's Budget</u> | <u>2004 Estimate</u> |
|--|-------------------------------|---|---------------------------------|
| Appropriation: | | | |
| Annual | \$2,717,000,000 | \$2,717,000,000 | \$2,717,000,000 |
| Re-appropriation of prior year funds..... | \$41,000,000 | | |
| Subtotal, Adjusted Appropriation..... | <u>2,758,000,000</u> | <u>2,717,000,000</u> | <u>2,717,000,000</u> |
| Total Obligations | \$2,758,000,000 | \$2,717,000,000 | \$2,717,000,000 |

Child Care Entitlement to States

SUMMARY OF CHANGES

| | |
|---|---------------------|
| FY 2003 President's Budget Request..... | \$2,717,000,000 |
| Total estimated budget authority..... | \$2,717,000,000 |
| (Obligations) | \$2,717,000,000 |
| FY 2004 Estimate..... | \$2,717,000,000 |
| (Obligations) | \$2,717,000,000 |
| Net change..... | \$0 |
| (Obligations) | \$0 |

Child Care Entitlement to States

Budget Authority by Activity

| | <u>2002 Actual</u> | <u>2003 President's Budget</u> | <u>2004 Estimate</u> |
|--|-------------------------------|---|---------------------------------|
| State Mandatory Funds.. | \$1,177,524,781 | \$1,177,524,781 | \$1,177,524,781 |
| Matching Child Care..... | 1,519,342,719 | 1,478,342,719 | 1,478,342,719 |
| Tribal Mandatory Funds..... | 54,340,000 | 54,340,000 | 54,340,000 |
| Training and Technical Assistance | 6,792,500 | 6,792,500 | 6,792,500 |
| Total, Budget Authority. | \$2,758,000,000 | \$2,717,000,000 | \$2,717,000,000 |

Budget Authority by Object

| | <u>2003 President's Budget</u> | <u>2004 Estimate</u> | <u>Increase or Decrease</u> |
|--|---|---------------------------------|--|
| Advisory and assistance services..... | \$6,792,500 | \$6,792,500 | \$6,792,500 |
| Grants, subsidies, and contributions..... | 2,751,207,500 | 2,710,207,500 | 2,710,207,500 |
| Total, Budget Authority. | \$2,758,000,000 | \$2,717,000,000 | \$2,717,000,000 |

Child Care Entitlement to States

Authorizing Legislation

| | <u>2003 Amount Authorized</u> | <u>2003 President's Budget*</u> | <u>2004 Amount Authorized</u> | <u>2004 Budget Request</u> |
|--|--|--|--|---|
| Section 418 of the Social Security Act | \$2,717,000,000 | \$2,717,000,000 | \$2,717,000,000 | \$2,717,000,000 |

* Legislation pending Congressional action to reauthorize this program at this level.

Child Care Entitlement to States

APPROPRIATIONS HISTORY TABLE

| <u>Year</u> | <u>Budget Estimate To Congress</u> | <u>House Allowance</u> | <u>Senate Allowance</u> | <u>Appropriation</u> |
|-------------|--|----------------------------|-----------------------------|----------------------|
| 1997 | | | | \$1,967,000,000 |
| 1998 | | | | \$2,070,387,000 |
| 1999 | | | | \$2,166,938,000 |
| 2000 | | | | \$2,367,000,000 |
| 2001 | | | | \$2,567,000,000 |
| 2002 | | | | \$2,717,000,000 |
| 2003 | \$2,717,000,000 | | | |
| 2004 | \$2,717,000,000 | | | |

Child Care Entitlement to States

Justification

| | 2002 Enacted | 2003 President's Budget | 2004 Estimate | Increase or Decrease |
|-----------------------------------|-----------------|-------------------------------|------------------|----------------------------|
| State Mandatory Funds | \$1,177,524,781 | \$1,177,524,781 | \$1,177,524,781 | \$0 |
| Matching Child Care | 1,519,342,719 | 1,478,342,719 | 1,478,342,719 | 0 |
| Tribal Mandatory Funds | 54,340,000 | 54,340,000 | 54,340,000 | 0 |
| Training and Technical Assistance | 6,792,500 | 6,792,500 | 6,792,500 | 0 |
| Total, BA | \$2,758,000,000 | \$2,717,000,000 | \$2,717,000,000 | \$0 |

General Statement

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 (P.L. 104-193) combined child care entitlement programs with different target populations (AFDC Child Care, Transitional Child Care and At-Risk Child Care) with the Child Care and Development Block Grant (CCDBG) Act of 1990, as amended. Effective October 1, 1996, the discretionary and mandatory child care funding under this Act, designated the Child Care and Development Fund, allows States maximum flexibility in developing child care programs and enables States to use resources more effectively to meet local needs. The Child Care and Development Fund includes Mandatory, Matching, and Discretionary components. (See also discussion in the Child Care and Development Block Grant section.)

CHILD CARE ENTITLEMENT

Authorizing Legislation – Legislation to reauthorize Title IV-A, section 418 of the Social Security Act, as amended is pending congressional action.

| 2002 Enacted | 2003 President's Budget | 2004 Estimate | Increase or Decrease |
|-------------------------|--|--------------------------|-------------------------------------|
| \$2,758,000,000 | \$2,717,000,000 | \$2,717,000,000 | \$0 |

2004 Authorization.....\$2,717,000,000 (reflects reauthorization level for this program as proposed in the President's FY 2003 Budget Request)

Purpose and Method of Operation

The Child Care Entitlement Fund provides grants to States and federally recognized Tribes for the purposes of providing low-income families with financial assistance for child care, improving the quality and availability of child care, and establishing or expanding and conducting early childhood programs and before-and-after school programs.

In conjunction with the Child Care and Development Block Grant, these funds will:

- Allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within each State;
- Promote parental choice to empower working parents to make their own decisions on the child care that best suits their family's needs;
- Encourage States to provide consumer education information to help parents make informed choices about child care;
- Assist States in providing child care to parents trying to achieve and maintain independence from public assistance and assist other low-income working parents to maintain quality child care services for their children; and
- Assist States in implementing the health, safety, licensing, and registration standards established in State regulations.

Mandatory Child Care -- Mandatory funds are allocated to Grantees based on historic levels of Title IV-A child care expenditures.

Matching Child Care -- Matching funds are those remaining after Mandatory funds and the two percent of the appropriation set aside for Tribes and tribal organizations are allocated. Matching

funds are available to States if three conditions are met by the end of the fiscal year in which Matching funds are awarded: (1) all Mandatory funds are obligated; (2) the State's maintenance-of-effort funds are expended; and (3) the State provides its share of Matching funds at the FMAP rate. Unobligated funds not spent by States will be available for reappropriation in the next fiscal year.

Training and Technical Assistance -- In accordance with 45 CFR paragraph 98.60(b)(1), the Secretary may withhold no more than $\frac{1}{4}$ of one percent of Child Care Development funds made available for a fiscal year for the provision of training and technical assistance to States.

Rationale for the Budget Request

The FY 2004 request of \$2,717,000,000 -- the same level as the President's FY 2003 budget request -- will provide funding to assist States in meeting the critical child care needs of families. The Child Care Entitlement Fund helps States and communities to build the supply of high quality, affordable child care. The funds will continue ACF's commitment to providing resources that allow families to become and remain self-sufficient and productive members of society. These funds also allow families to access quality child care, which promotes child development, literacy, and school readiness. All segments of society -- parents, schools, employers, health providers, faith-based institutions and other charitable agencies, States and the Federal government -- must be involved to ensure access to quality child care.

Resource and Program Data
Mandatory Child Care

| | 2002 Actual | 2003 President's Budget | 2004 Estimate |
|-------------------------------|-----------------|-------------------------------|------------------|
| <u>Resource Data:</u> | | | |
| Service Grants: | | | |
| Formula | \$1,177,524,781 | \$1,177,524,781 | \$1,177,524,781 |
| Discretionary | | | |
| Research/Evaluation | | | |
| Demonstration/Development | | | |
| Training/Technical Assistance | | | |
| Program Support | | | |
| Total, Resources | \$1,177,524,781 | \$1,177,524,781 | \$1,177,524,781 |
| | | | |
| <u>Program Data:</u> | | | |
| Number of Grants | 293 | 290 | 290 |
| New Starts: | | | |
| # | | | |
| \$ | | | |
| Continuations: | | | |
| # | 293 | 290 | 290 |
| \$ | \$1,177,524,781 | \$1,177,524,781 | \$1,177,524,781 |
| Contracts: | | | |
| # | | | |
| \$ | | | |
| Interagency Agreements: | | | |
| # | | | |
| \$ | | | |

Resource and Program Data
Matching Child Care

| | 2002 Actual | 2003 President's Budget | 2004 Estimate |
|-------------------------------|-----------------|-------------------------------|------------------|
| <u>Resource Data:</u> | | | |
| Service Grants: | | | |
| Formula | \$1,519,342,719 | \$1,519,342,719 | \$1,519,342,719 |
| Discretionary | | | |
| Research/Evaluation | | | |
| Demonstration/Development | | | |
| Training/Technical Assistance | | | |
| Program Support | | | |
| Total, Resources | \$1,519,342,719 | \$1,519,342,719 | \$1,519,342,719 |
| | | | |
| <u>Program Data:</u> | | | |
| Number of Grants | 51 | 51 | 51 |
| New Starts: | | | |
| # | | | |
| \$ | | | |
| Continuations: | | | |
| # | 51 | 51 | 51 |
| \$ | \$1,519,342,719 | \$1,519,342,719 | \$1,519,342,719 |
| Contracts: | | | |
| # | | | |
| \$ | | | |
| Interagency Agreements: | | | |
| # | | | |
| \$ | | | |

Resource and Program Data
Training and Technical Assistance

| | 2002 Actual | 2003 President's Budget | 2004 Estimate |
|-------------------------------|----------------|-------------------------------|------------------|
| <u>Resource Data:</u> | | | |
| Service Grants: | | | |
| Formula | | | |
| Discretionary | | | |
| Research/Evaluation | | | |
| Demonstration/Development | | | |
| Training/Technical Assistance | \$6,792,500 | \$6,792,500 | \$6,792,500 |
| Program Support | | | |
| Total, Resources | \$6,792,500 | \$6,792,500 | \$6,792,500 |
| | | | |
| <u>Program Data:</u> | | | |
| Number of Grants | | | |
| New Starts: | | | |
| # | | | |
| \$ | | | |
| Continuations: | | | |
| # | 5 | 5 | 5 |
| \$ | \$6,792,500 | \$6,792,500 | \$6,792,500 |
| Contracts: | | | |
| # | | | |
| \$ | | | |
| Interagency Agreements: | | | |
| # | | | |
| \$ | | | |

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES**

FY 2004 MANDATORY STATE/FORMULA GRANTS

PROGRAM: CCDF Mandatory (CFDA # 93.596)

| STATE/TERRITORY | 2002 Actual | 2003 Pres. Budget | 2004 <u>1</u>/ Estimate | Difference +/- 2003 |
|------------------------|------------------------|------------------------------|------------------------------------|--------------------------------|
| Alabama | \$16,441,707 | \$16,441,707 | \$16,441,707 | \$0 |
| Alaska | 3,544,811 | 3,544,811 | 3,544,811 | 0 |
| Arizona | 19,827,025 | 19,827,025 | 19,827,025 | 0 |
| Arkansas | 5,300,283 | 5,300,283 | 5,300,283 | 0 |
| California | 85,593,217 | 85,593,217 | 85,593,217 | 0 |
| Colorado | 10,173,800 | 10,173,800 | 10,173,800 | 0 |
| Connecticut | 18,738,357 | 18,738,357 | 18,738,357 | 0 |
| Delaware | 5,179,330 | 5,179,330 | 5,179,330 | 0 |
| District of Columbia | 4,566,974 | 4,566,974 | 4,566,974 | 0 |
| Florida | 43,026,524 | 43,026,524 | 43,026,524 | 0 |
| Georgia | 36,548,223 | 36,548,223 | 36,548,223 | 0 |
| Hawaii | 4,971,633 | 4,971,633 | 4,971,633 | 0 |
| Idaho | 2,867,578 | 2,867,578 | 2,867,578 | 0 |
| Illinois | 56,873,824 | 56,873,824 | 56,873,824 | 0 |
| Indiana | 26,181,999 | 26,181,999 | 26,181,999 | 0 |
| Iowa | 8,507,792 | 8,507,792 | 8,507,792 | 0 |
| Kansas | 9,811,721 | 9,811,721 | 9,811,721 | 0 |
| Kentucky | 16,701,653 | 16,701,653 | 16,701,653 | 0 |
| Louisiana | 13,864,552 | 13,864,552 | 13,864,552 | 0 |
| Maine | 3,018,598 | 3,018,598 | 3,018,598 | 0 |
| Maryland | 23,301,407 | 23,301,407 | 23,301,407 | 0 |
| Massachusetts | 44,973,373 | 44,973,373 | 44,973,373 | 0 |
| Michigan | 32,081,922 | 32,081,922 | 32,081,922 | 0 |
| Minnesota | 23,367,543 | 23,367,543 | 23,367,543 | 0 |
| Mississippi | 6,293,116 | 6,293,116 | 6,293,116 | 0 |
| Missouri | 24,668,568 | 24,668,568 | 24,668,568 | 0 |
| Montana | 3,190,691 | 3,190,691 | 3,190,691 | 0 |
| Nebraska | 10,594,637 | 10,594,637 | 10,594,637 | 0 |
| Nevada | 2,580,422 | 2,580,422 | 2,580,422 | 0 |
| New Hampshire | 4,581,870 | 4,581,870 | 4,581,870 | 0 |
| New Jersey | 26,374,178 | 26,374,178 | 26,374,178 | 0 |
| New Mexico | 8,307,587 | 8,307,587 | 8,307,587 | 0 |
| New York | 101,983,998 | 101,983,998 | 101,983,998 | 0 |
| North Carolina | 69,639,228 | 69,639,228 | 69,639,228 | 0 |
| North Dakota | 2,506,022 | 2,506,022 | 2,506,022 | 0 |

| STATE/TERRITORY | 2002 Actual | 2003 Pres. Budget | 2004 Estimate | Difference +/- 2003 |
|---------------------------------|------------------------|------------------------------|--------------------------|--------------------------------|
| Ohio | 70,124,656 | 70,124,656 | 70,124,656 | 0 |
| Oklahoma | 24,909,979 | 24,909,979 | 24,909,979 | 0 |
| Oregon | 19,408,790 | 19,408,790 | 19,408,790 | 0 |
| Pennsylvania | 55,336,804 | 55,336,804 | 55,336,804 | 0 |
| Rhode Island | 6,633,774 | 6,633,774 | 6,633,774 | 0 |
| South Carolina | 9,867,439 | 9,867,439 | 9,867,439 | 0 |
| South Dakota | 1,710,801 | 1,710,801 | 1,710,801 | 0 |
| Tennessee | 37,702,188 | 37,702,188 | 37,702,188 | 0 |
| Texas | 59,844,129 | 59,844,129 | 59,844,129 | 0 |
| Utah | 12,591,564 | 12,591,564 | 12,591,564 | 0 |
| Vermont | 3,944,887 | 3,944,887 | 3,944,887 | 0 |
| Virginia | 21,328,766 | 21,328,766 | 21,328,766 | 0 |
| Washington | 41,883,444 | 41,883,444 | 41,883,444 | 0 |
| West Virginia | 8,727,005 | 8,727,005 | 8,727,005 | 0 |
| Wisconsin | 24,511,351 | 24,511,351 | 24,511,351 | 0 |
| Wyoming | 2,815,041 | 2,815,041 | 2,815,041 | 0 |
| Subtotal | 1,177,524,781 | 1,177,524,781 | 1,177,524,781 | 0 |
| Tribes | 54,340,000 | 54,340,000 | 54,340,000 | 0 |
| Subtotal | 54,340,000 | 54,340,000 | 54,340,000 | 0 |
| Total States/Territories | 1,231,864,781 | 1,231,864,781 | 1,231,864,781 | 0 |
| Technical Assistance | 3,529,600 | 3,532,100 | 3,532,100 | 0 |
| Subtotal | 3,529,600 | 3,532,100 | 3,532,100 | 0 |
| Adjustments | | | | |
| TOTAL RESOURCES | \$1,235,394,381 | \$1,235,396,881 | \$1,235,396,881 | \$0 |

1/ The FY 2003 allotment calculation used Census 2000 data because 2001 estimates have not been published by the Census Bureau.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES**

FY 2004 MANDATORY STATE/FORMULA GRANTS

PROGRAM: CCDF Matching (CFDA # 93.596)

| STATE/TERRITORY | 2002 Actual | 2003 Pres. Budget | 2004 Estimate | Difference +/- 2003 |
|------------------------|------------------------|------------------------------|--------------------------|--------------------------------|
| Alabama | \$22,803,334 | \$22,803,334 | \$22,803,334 | \$0 |
| Alaska | 4,041,917 | 3,837,458 | 3,837,458 | 0 |
| Arizona | 29,867,432 | 28,414,982 | 28,414,982 | 0 |
| Arkansas | 13,918,143 | 13,742,062 | 13,742,062 | 0 |
| California | 202,345,010 | 192,511,470 | 192,511,470 | 0 |
| Colorado | 23,346,084 | 22,505,791 | 22,505,791 | 0 |
| Connecticut | 18,325,536 | 17,434,124 | 17,434,124 | 0 |
| Delaware | 4,194,685 | 3,996,796 | 3,996,796 | 0 |
| District of Columbia | 2,532,376 | 2,419,898 | 2,419,898 | 0 |
| Florida | 74,315,596 | 74,315,596 | 74,315,596 | 0 |
| Georgia | 46,969,407 | 44,737,387 | 44,737,387 | 0 |
| Hawaii | 6,391,035 | 6,077,437 | 6,077,437 | 0 |
| Idaho | 7,687,126 | 7,416,544 | 7,416,544 | 0 |
| Illinois | 70,164,324 | 66,742,424 | 66,742,424 | 0 |
| Indiana | 33,404,663 | 32,195,509 | 32,195,509 | 0 |
| Iowa | 14,671,371 | 14,671,371 | 14,671,371 | 0 |
| Kansas | 14,387,106 | 14,387,106 | 14,387,106 | 0 |
| Kentucky | 21,286,383 | 20,268,911 | 20,268,911 | 0 |
| Louisiana | 24,347,811 | 24,347,811 | 24,347,811 | 0 |
| Maine | 6,220,317 | 5,924,903 | 5,924,903 | 0 |
| Maryland | 29,279,003 | 27,869,137 | 27,869,137 | 0 |
| Massachusetts | 32,528,105 | 30,946,749 | 30,946,749 | 0 |
| Michigan | 53,067,749 | 53,067,749 | 53,067,749 | 0 |
| Minnesota | 27,153,654 | 25,839,064 | 25,839,064 | 0 |
| Mississippi | 15,814,248 | 15,614,179 | 15,614,179 | 0 |
| Missouri | 30,244,097 | 28,781,184 | 28,781,184 | 0 |
| Montana | 4,707,222 | 4,482,336 | 4,482,336 | 0 |
| Nebraska | 9,431,220 | 8,973,691 | 8,973,691 | 0 |
| Nevada | 11,345,185 | 10,804,203 | 10,804,203 | 0 |
| New Hampshire | 6,577,515 | 6,259,901 | 6,259,901 | 0 |
| New Jersey | 45,576,393 | 43,390,811 | 43,390,811 | 0 |
| New Mexico | 10,636,452 | 10,117,111 | 10,117,111 | 0 |
| New York | 101,291,573 | 96,439,140 | 96,439,140 | 0 |
| North Carolina | 42,875,908 | 40,785,626 | 40,785,626 | 0 |
| North Dakota | 3,295,271 | 3,134,709 | 3,134,709 | 0 |

| STATE/TERRITORY | 2002 Actual | 2003 Pres. Budget | 2004 Estimate | Difference +/- 2003 |
|------------------------|------------------------|------------------------------|--------------------------|--------------------------------|
| Ohio | 61,571,001 | 58,587,556 | 58,587,556 | 0 |
| Oklahoma | 11,502,467 | 17,896,095 | 17,896,095 | 0 |
| Oregon | 17,957,396 | 17,090,771 | 17,090,771 | 0 |
| Pennsylvania | 61,888,243 | 58,901,198 | 58,901,198 | 0 |
| Rhode Island | 5,348,500 | 5,090,091 | 5,090,091 | 0 |
| South Carolina | 21,613,855 | 20,591,295 | 20,591,295 | 0 |
| South Dakota | 4,187,868 | 3,985,399 | 3,985,399 | 0 |
| Tennessee | 29,774,488 | 28,705,941 | 28,705,941 | 0 |
| Texas | 122,569,631 | 120,569,631 | 120,569,631 | 0 |
| Utah | 7,800,000 | 14,732,285 | 14,732,285 | 0 |
| Vermont | 3,047,752 | 2,904,885 | 2,904,885 | 0 |
| Virginia | 36,888,539 | 35,556,003 | 35,556,003 | 0 |
| Washington | 30,720,798 | 30,720,798 | 30,720,798 | 0 |
| West Virginia | 8,412,231 | 8,000,675 | 8,000,675 | 0 |
| Wisconsin | 28,648,757 | 27,266,251 | 27,266,251 | 0 |
| Wyoming | 2,487,341 | 2,487,341 | 2,487,341 | 0 |
| Subtotal | 1,519,462,118 | 1,478,342,719 | 1,478,342,719 | 0 |
| Technical Assistance | 3,257,900 | 3,260,400 | 3,260,400 | 0 |
| Subtotal | 3,257,900 | 3,260,400 | 3,260,400 | 0 |
| Adjustments | | | | |
| TOTAL RESOURCES | \$1,522,720,018 | \$1,481,603,119 | \$1,481,603,119 | \$0 |

1/ The FY 2003 allotment calculation used Census 2000 data because 2001 estimates have not been published by the Census Bureau.

DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

Children's Research and Technical Assistance

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Children's Research and Technical Assistance

Amounts Available for Obligation

| | <u>2002 Actual</u> | <u>2003 President's Budget</u> | <u>2004 Estimate</u> |
|--|-------------------------------|---|---------------------------------|
| Appropriation: | | | |
| Permanent..... | \$57,953,000 | \$50,370,000 | \$49,680,000 |
| Enacted rescission..... | <u>-21,026,000</u> | | |
| Subtotal, adjusted appropriation | 36,927,000 | 50,370,000 | 49,680,000 |
| Offsetting collections.... | 9,093,000 | 9,100,000 | 9,300,000 |
| Subtotal, adjusted budget authority gross)..... | 46,020,000 | 59,470,000 | 58,980,000 |
| Unobligated balance start of Year..... | 1,459,000 | 1,436,000 | 0 |
| Adjustment..... | | -880,000 | |
| Recovery of prior-year obligations..... | 0 | 400,000 | 0 |
| Unobligated balance, end of year..... | <u>1,436,000</u> | <u>0</u> | <u>0</u> |
| Total, gross obligations.. | \$46,268,000 | \$60,426,000 | \$58,980,000 |

Children's Research and Technical Assistance

SUMMARY OF CHANGES

| | |
|--------------------------------------|--------------|
| FY 2003 Estimated Appropriation..... | \$50,370,000 |
| (Gross Obligations) | 60,426,000 |
| FY 2004 Estimate | 49,680,000 |
| (Obligations) | 58,980,000 |
| Net change | -690,000 |
| (Obligations) | -1,446,000 |

| | <u>2003 President's Budget Base</u> | <u>Change from Base</u> |
|---|--|--------------------------------|
| Decreases: | | |
| A. Built-in: | | |
| 1. Decrease due to lower child support collections estimated in FY 2003..... | 35,370,000 | -690,000 |
| Total Decreases | | -\$690,000 |
| Net Change..... | | -\$690,000 |

Children's Research and Technical Assistance

Budget Authority by Activity

| | <u>2002 Actual</u> | <u>2003 President's Budget</u> | <u>2004 Estimate</u> |
|---|-------------------------------|---|---------------------------------|
| Training and Technical Assistance | \$12,318,000 | \$11,790,000 | \$11,560,000 |
| Federal Parent Locator Service | 24,609,000 | 23,580,000 | 23,120,000 |
| Child Welfare Study ¹ | 0 | 0 | 0 |
| Welfare Research ¹ | 0 | 15,000,000 | 15,000,000 |
| | <hr/> | <hr/> | <hr/> |
| Total, Budget Authority | \$36,927,000 | \$50,370,000 | \$49,680,000 |

¹ Amounts for FY 2002 were rescinded and reappropriated in the discretionary side of the budget.

Children's Research and Technical Assistance

Budget Authority by Object

| | 2003 President's <u>Budget</u> | 2004 <u>Estimate</u> | Increase or <u>Decrease</u> |
|--|---|---------------------------------|--|
| Travel and transportation of persons..... | 1,068,000 | 961,000 | (107,000) |
| Transportation of things..... | 15,000 | 15,000 | - |
| Rental payments to GSA..... | 674,000 | 674,000 | - |
| Communications, utilities and misc..... | 10,000 | 10,000 | - |
| Printing and reproduction..... | 107,000 | 107,000 | - |
| Consulting services..... | 14,506,000 | 14,406,000 | (100,000) |
| Other services..... | 681,000 | 681,000 | - |
| Purchases of goods and services from government accounts..... | 21,656,000 | 21,309,000 | (347,000) |
| Supplies and materials..... | 498,000 | 450,000 | (48,000) |
| Equipment..... | 874,000 | 786,000 | (88,000) |
| Grants, subsidies and contributions..... | <u>10,281,000</u> | <u>10,281,000</u> | <u>-</u> |
| Total, budget authority by object class..... | 50,370,000 | 49,680,000 | (690,000) |
| Total, obligations ¹ | 60,426,000 | 58,980,000 | (1,446,000) |

¹ Obligations include fees offset from the States to repay costs associated with offset notice preparation and Federal Parent Locator Service and fees from other federal agencies to repay costs associated with the Federal Parent Locator Services. FY 2003 also includes unobligated funds.

Children's Research and Technical Assistance

Authorizing Legislation

| | <u>2003 Amount Authorized</u> | <u>2003 President's Budget</u> | <u>2004 Amount Authorized</u> | <u>2004 Estimate</u> |
|--|--|---|--|---------------------------------|
| 1. Training and Technical Assistance: Section 452(j) of the Social Security Act ¹ | Indefinite | \$11,790,000 | Indefinite | \$11,560,000 |
| 2. Federal Parent Locator Service: Section 453(o) of the Social Security Act ² | Indefinite | 23,580,000 | Indefinite | 23,120,000 |
| 3. Child Welfare Study: Section 429 A of the Social Security Act | 0 | 0 | 0 | 0 |
| 4. Welfare Research: Section 413 (h) of the Social Security Act | 15,000,000 | 15,000,000 | 15,000,000 | 15,000,000 |
| Total Appropriation | Indefinite | \$50,370,000 | Indefinite | \$49,680,000 |

¹ The amount authorized and appropriated is equal to 1 percent of the total amount paid to the federal government for its share of child support collections for the preceding year.

² The amount authorized and appropriated is equal to 2 percent of the total amount paid to the federal government for its share of child support collections for the preceding year.

Children's Research and Technical Assistance

APPROPRIATIONS HISTORY TABLE

| <u>Fiscal Year</u> | <u>Appropriation</u> |
|---------------------------|-----------------------------|
| 1996 | 36,711,000 |
| 1997 | 59,548,000 |
| Rescission | (21,000,000) |
| 1998 | 76,440,000 |
| Rescission | (21,000,000) |
| 1999 | 72,816,000 |
| Rescission | (21,000,000) |
| 2000 | 59,992,000 |
| Rescission | (21,000,000) |
| 2001 | 60,627,000 |
| Rescission | (21,000,000) |
| 2002 | 57,953,000 |
| Rescission | (21,026,000) |
| 2003 | 50,370,000 |
| 2004 | 49,680,000 |

Children's Research and Technical Assistance

Justification

| | 2002 Actual | 2003 President's Budget | 2004 Estimate | Increase Or Decrease |
|---|------------------------------|--|------------------------------|-------------------------------------|
| Training and Technical Assistance [obligations] | \$12,318,000 [12,095,000] | \$11,790,000 [12,391,000] | \$11,560,000 [11,560,000] | -\$230,000 [-831,000] |
| Federal Parent Locator Service [obligations] | 24,609,000 [34,173,000] | 23,580,000 [33,035,000] | 23,120,000 [32,420,000] | -460,000 [-615,000] |
| Welfare Research | 0 | 15,000,000 | 15,000,000 | 0 |
| Total, net budget authority | \$36,927,000 | \$50,370,000 | \$49,680,000 | -690,000 |
| [Total, obligations] | [\$46,268,000] | [\$60,426,000] | [\$58,980,000] | [-\$1,446,000] |

General Statement

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) authorizes and appropriates funds for welfare research and technical support for States implementing welfare reform. In addition, the Balanced Budget Act of 1997 (P.L. 105-33) authorizes and appropriates funds for welfare research.

The following activities are supported:

- Training and Technical Assistance - to support the dissemination of information and technical assistance to the States on child support enforcement activities. It is supported by an amount equal to one percent of the amount paid to the federal government for its share of child support collections during the immediately preceding fiscal year.
- Federal Parent Locator Service - to assist States in locating non-custodial parents. It is supported by an amount equal to two percent of the amount paid to the federal government for its share of child support collections during the immediately preceding fiscal year.
- Welfare Research - to conduct research and demonstrations relating to State welfare reform efforts. The budget request includes pending FY 2003 reauthorization of these funds.

Purpose and Method of Operation

Section 345 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 includes two provisions which target funding to the Department to strengthen the federal government's capacity to influence the effectiveness of the child support enforcement program.

The first provision, earmarking an amount equivalent to one percent of the federal share of child support collections in the prior year, has a two-fold purpose: to cover the Department's costs in providing technical assistance to States (including technical assistance related to State automated systems), training of State and federal staff, staffing studies, information dissemination and related activities; and, to support research, demonstration, and special projects of regional or national significance relating to the operation of State child support programs. These activities are key to successful State outcomes in implementing welfare reform and attaining the anticipated benefits of the statute. Amounts under this provision are available until expended.

The second, pertaining to an amount equal to two percent of the federal share of child support collections in the prior year, is directed to cover the Department's costs in operating the Federal Parent Locator Service to the extent that these costs are not recovered through fees. Under welfare reform the mission and scope of the Federal Parent Locator Service was significantly expanded to add two new components--a Federal Child Support Case Registry and a National Directory of New Hires. This expansion has had a significant impact on the program's ability to collect support in interstate child support cases. Interstate cases comprise about one-third of the caseload and are among the hardest for States to work. Amounts under this provision are available on an annual basis.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 also includes funding for welfare reform research. Specifically, funding is authorized for the cost of conducting research; the cost of developing and evaluating innovative approaches for reducing welfare dependency and increasing the well-being of minor children; the federal share of any State-initiated study; the operation and evaluation of demonstrations that were in effect under section 1115 as of September 30, 1995. The FY 2003 President's budget includes reauthorization of PRWORA and also reflects funding for Child Welfare research activities within the TANF Research, Demonstration and Technical Assistance Activities budget request.

Resource and Program Data
CSE Training and Technical Assistance (Obligations)

| | 2002 Actual | 2003 President's Budget | 2004 Estimate |
|-------------------------------|----------------|-------------------------------|------------------|
| <u>Resource Data:</u> | | | |
| Service Grants: | | | |
| Formula | | | |
| Discretionary | | | |
| Research/Evaluation | | | |
| Demonstration/Development | | | |
| Training/Technical Assistance | \$6,538,000 | \$6,356,000 | \$5,385,000 |
| Program Support ¹ | 5,557,000 | 6,035,000 | 6,175,000 |
| Total, Resources | \$12,095,000 | \$12,391,000 | \$11,560,000 |
| | | | |
| <u>Program Data:</u> | | | |
| Number of Grants | | 8 | 8 |
| New Starts: | | | |
| # | | 8 | 8 |
| \$ | | \$1,500,000 | \$1,500,000 |
| Continuations: | | | |
| # | | | |
| \$ | | | |
| Contracts: | | | |
| # | 10 | 10 | 10 |
| \$ | \$2,566,000 | \$2,589,000 | \$2,450,000 |
| Interagency Agreements: | | | |
| # | 8 | 8 | 8 |
| \$ | \$1,316,000 | \$1,316,000 | \$1,000,000 |

¹ Includes funding for information technology, salaries/benefits and associated overhead costs.

Resource and Program Data
CSE Federal Parent Locator Services (Obligations)

| | 2002 Actual | 2003 President's Budget | 2004 Estimate |
|-------------------------------|----------------|-------------------------------|------------------|
| <u>Resource Data:</u> | | | |
| Service Grants: | | | |
| Formula | | | |
| Discretionary | | | |
| Research/Evaluation | | | |
| Demonstration/Development | \$6,270,000 | \$7,084,000 | \$7,000,000 |
| Training/Technical Assistance | | | |
| Program Support ¹ | 27,903,000 | 25,951,000 | 25,420,000 |
| Total, Resources | \$34,173,000 | \$33,035,000 | \$32,420,000 |
| | | | |
| <u>Program Data:</u> | | | |
| Number of Grants | | 4 | 4 |
| New Starts: | | | |
| # | | 4 | 4 |
| \$ | | \$814,000 | \$800,000 |
| Continuations: | | | |
| # | | | |
| \$ | | | |
| Contracts: | | | |
| # | 4 | 4 | 4 |
| \$ | \$23,129,000 | \$22,050,000 | \$21,000,000 |
| Interagency Agreements: | | | |
| # | 6 | 5 | 5 |
| \$ | \$4,755,000 | \$4,534,000 | \$4,500,000 |

¹ Includes funding for information technology, salaries/benefits and associated overhead, program development, modernization, enhancements, and maintenance costs.

Resource and Program Data
Welfare Research

| | 2002 Actual | 2003 President's Budget | 2004 Estimate |
|-------------------------------|----------------|-------------------------------|------------------|
| <u>Resource Data:</u> | | | |
| Service Grants: | | | |
| Formula | | | |
| Discretionary | | | |
| Research/Evaluation | | \$11,000,000 | \$11,000,000 |
| Demonstration/Development | | 3,000,000 | 3,000,000 |
| Training/Technical Assistance | | | |
| Program Support ¹ | | 1,000,000 | 1,000,000 |
| Total, Resources | | \$15,000,000 | \$15,000,000 |
| | | | |
| <u>Program Data:</u> | | | |
| Number of Grants | | 40 | 40 |
| New Starts: | | | |
| # | | 10 | 10 |
| \$ | | \$2,000,000 | \$2,000,000 |
| Continuations: | | | |
| # | | 20 | 20 |
| \$ | | \$6,000,000 | \$6,000,000 |
| Contracts: | | | |
| # | | 8 | 8 |
| \$ | | \$4,000,000 | \$4,000,000 |
| Interagency Agreements: | | | |
| # | | 5 | 5 |
| \$ | | \$2,000,000 | \$2,000,000 |

¹ Includes funding for information technology and administrative fees.